

THIS AGREEMENT, made this ~~7th~~ day of ~~July~~ 1970, by and between China Air Lines, a company organized under the laws of the Republic of China (hereinafter referred to as "CAL"), and Air America, Inc., a Delaware corporation with offices at 1725 K Street, N.W., Washington D.C. 20006 (hereinafter referred to as "Airam");

WITNESSETH:

WHEREAS, Airam has a contract with the United States Government to provide flying services and desires in the fulfillment of that contract to secure flying services from an additional source; and

WHEREAS, CAL is willing to provide such flying services under subcontract to Airam;

NOW, THEREFORE, in consideration of the stated premises, the mutual covenants, and the conditions herein contained the parties hereto agree as follows:

ARTICLE I. SERVICES TO BE PERFORMED

a. CAL shall, during the period set forth in Article III. hereof, furnish the following:

Item 1. Flying services:

Item 1AA Flying services with two basically assigned C-123 aircraft.

Item 1AB Flying services with one C-46 type aircraft, when requested by Airam in accordance with the call order provisions as provided in paragraph c. of this Article 1.

Flying services as set forth in this item 1 include all necessary aircraft fuel, engine lubricating oil and aircraft lubricants (PCL), supplies, services, personnel, and ground support equipment for the operation thereof, unless otherwise provided hereinafter, subject only to necessary absence of such aircraft for proper maintenance. CAL shall base such aircraft at a place or places agreed to between CAL and Airam, hereinafter referred to as the "Base Point(s)". Such Base Point(s) may be changed from time to time by agreement between CAL and Airam expressed in writing. Daily maintenance inspections are to be performed at the Base Point of such aircraft. Aircraft repairs, maintenance, and services beyond CAL's capability to perform at the Base Point may be performed at other locations. The aircraft

1 shall be operated between points agreed to between CAL and Airam.
2 For the foregoing services, CAL shall be paid pursuant to the rates
3 set forth in Appendix "A", attached hereto and hereby made a part
4 hereof, and the provisions of Article IV. hereof.
5

6 Item 2. Modifications to its aircraft, requested by Airam and approved by
7 CAL, to suit them for use by Airam; provided, that if requested by
8 CAL, CAL shall be reimbursed for such modification, and for restoring
9 the aircraft to prior configuration upon release of the aircraft.
10 However, such modified aircraft shall not be withdrawn during the
11 period of assignment or call by CAL without prior approval of Airam.
12 For the foregoing services, CAL shall be reimbursed pursuant to
13 paragraph "h" of Article IV. hereof.
14

15 Item 3. Parts and materials to the extent required in the performance of
16 Item 2 of this Article I. CAL shall be reimbursed for such parts
17 and materials as provided in paragraph "h" of Article IV. hereof.
18

19 Item 4. Upon request of Airam, CAL may, if available, provide additional
20 flight crew personnel for which CAL shall be paid pursuant to the
21 normal rates set forth in Appendix "D" and the provisions of
22 Article IV. hereof. Requests by Airam for additional flight crew
23 personnel shall be in writing, requesting personnel by classifi-
24 cation and category, desired location of services and period for
25 which services are being requested.
26

27 b. CAL shall have complete authority and discretion to decide all matters of
28 maintenance, the adequacy of clearances, permissions obtained, and operations
29 insofar as the safety of the aircraft and its personnel are concerned, in
30 accordance with established CAL and industry standards.
31

32 c. In calling for aircraft which may be furnished "on call" pursuant to Item 1AB.
33 of Article I. hereof, Airam, which term shall include its authorized representa-
34 tive, shall issue a call order in accordance with Appendix "B", attached hereto
35 and made a part hereof, which shall notify CAL of the place at which the aircraft
36 is required and the period of time for which such aircraft is desired. CAL
37 shall respond by agreeing to furnish the aircraft in accordance with the terms
38 requested, or will advise of non-availability of the aircraft, or advise the
39 portions of the requested period during which the aircraft can be made available.
40 Except in the event of non-availability, CAL's response shall state the place
41 at which the aircraft shall be made available, and such response shall be deemed
42 an offer which offer may be accepted by Airam at any time before it is withdrawn.
43 Acceptance in writing of such offer by Airam shall be deemed a call order for
44

1 CAL to furnish the aircraft at the place of availability as stated by CAL,
2 and for the agreed period whereupon the aircraft shall be deemed to be called
3 hereunder; such place of availability shall be the "Point of Origin" for such
4 aircraft.

- 5
6 d. Airam and/or its duly authorized representative, may issue Flight Service Orders
7 in accordance with Appendix "C" attached hereto and hereby made a part hereof,
8 for all flights, except maintenance flights to and from Taiwan for other than LM
9 and may issue changes thereto at any time and from time to time during the life
10 of this contract. Such orders and changes thereto, shall be in writing and
11 signed by the authorized representative; provided that such orders or changes
12 be issued orally or by other means when the exigency of any situation preclude
13 written operational orders or changes in which event such oral orders or changes
14 may be confirmed in writing within a reasonable time after performance of the
15 services ordered. Such orders shall authorize CAL to perform flights specified
16 therein and may designate the routes to be flown and the points from which and
17 to which the flight shall be made.
- 18
19 e. Upon request of Airam, a member of the aircraft crew shall sign, when requested
20 for all specified cargo listed on the manifest and obtain a receipt therefor at
21 destination; provided, that CAL's personnel shall not be responsible for cargo
22 content or identification.
- 23
24 f. Airam shall be responsible for the management, supervision and the provision of
25 peculiar parts, components, equipment and supplies for only the C-123 aircraft.
26 This shall be done at no additional cost to CAL. Airam shall furnish all such
27 items, upon request from CAL, to the extent that such are available. It is
28 understood the source of such items is United States Government Stores.
- 29
30 g. CAL shall have no obligation to replace any aircraft furnished hereunder which
31 are lost or destroyed or undergoing repairs while engaged in performance of
32 this contract.

33
34 ARTICLE II. PERSONNEL TO BE FURNISHED

- 35
36 a. CAL shall provide, within the rates per flying hour provided for herein,
37 necessary maintenance and operations personnel and a normal complement of
38 flight crew members for the aircraft furnished hereunder.
- 39
40 b. Airam shall arrange for all personnel required to load, handle and unload
41 cargo. CAL shall be responsible, within the rates per flying hour provided
42 herein, for providing qualified personnel to supervise the placement and
43 securing of cargo as well as the seating of passengers. Except as otherwise
44

provided for herein, CAL shall determine its own requirements for personnel to be assigned to the performance of this contract commensurate with operational and maintenance requirements hereunder.

- c. CAL shall engage such of its facilities and equipment as shall be necessary for the performance of this contract except as otherwise specifically provided for in this contract; provided, however, that Airam may loan or furnish CAL such supplies or equipment as, in the opinion of Airam, are required by CAL for the performance of the contract and which are not reasonably available to CAL from other sources.

ARTICLE III. PERIOD OF PERFORMANCE

- a. The services called for under this contract shall commence on 1 July 1970 and continue until midnight, 30 June 1971.
- b. Airam shall have the right to renew this contract for two additional one year periods and such renewal shall be automatic unless CAL is notified in writing thirty (30) days prior to the effective date of such renewal. However, Airam shall have the right to terminate this contract at any time it shall determine the services provided for therein are no longer required by giving notice in writing thirty (30) days prior to the effective date of such termination.

ARTICLE IV. CONSIDERATION AND PAYMENT

- a. Airam shall pay CAL in accordance with the provisions of this Article IV. at the appropriate rates set forth in Appendix "A" and/or Appendix "D" hereof for the services performed by CAL hereunder.
- b. 1. As pertains to Item 1. of Article I. hereof, CAL shall be paid, upon submission of proper invoices or vouchers, the applicable rates stipulated in Appendix "A" for services rendered and accepted, less deductions, if any, herein provided.
2. As pertains to Item 4. of Article I. hereof, CAL shall be paid, upon submission of proper invoices or vouchers, the normal rates stipulated in Appendix "D" for services rendered and accepted, less deductions, if any, herein provided. CAL shall be paid the appropriate hourly rates for each of such personnel and pro rata amounts thereof for fractional parts of an hour flown provided that CAL shall be paid at the rate for each such personnel at a minimum of 2.3 hours per day. The minimum of 2.3 flying hours per day shall apply to all days that each such personnel are called for hereunder including days required in positioning the personnel to the point of use and return of such personnel to their regular assigned CAL

1 station upon release from services hereunder by Airam. In addition, CAL
2 shall be reimbursed for all expenses of positioning and depositioning such
3 personnel including, but not limited to, transportation costs, incidental
4 expenses, and deadhead pay.

- 5
6 c. Flight time, actual flying time, and flying hour is the logged time of each
7 flight and shall be calculated as follows:

8
9 1. "Block to Block" Time: From the moment the aircraft first moves under
10 its own power for the purpose of flight until the moment it comes to
11 rest at the next point of landing.

12
13 2. Airborne Time: Airborne time is the logged time of each flight to the
14 nearest minute calculated from the moment of take-off to the moment of
15 landing.

- 16
17 d. The flying hour prices set forth in Appendices "A" and "D" contain an element
18 of cost for payment to CAL flight crew members for hazardous flying which is
19 defined as the performance of flight duties over areas in which active combat
20 operations are in progress and/or over areas controlled or occupied by
21 unfriendly forces. In the event that the hazardous conditions as defined
22 herein cease to exist, the flying hour prices shall be reduced by the
23 specified amounts set forth in Appendices "A" and "D". The effective date
24 of such reduction shall be as agreed between CAL and Airam.

- 25
26 e. In addition to the flying hour rates provided in Appendix "A" hereof, CAL
27 shall be reimbursed at its cost therefor, as approved by Airam, for payments
28 of per diem and other incidental expenses made to each crewmember required
29 to remain overnight away from his Base Point as provided in Article I.a.,
30 above, while performing services pursuant to Article I.a. above.

- 1 f. 1. Subject to subparagraph 2. below, CAL shall be paid for all hours flown
2 hereunder by all aircraft furnished pursuant to Items 1AA and 1AB of
3 Article I., except for maintenance flight hours for other than IRAN, but
4 including return of the aircraft to point of origin during the period(s)
5 of their assignment or call hereunder, and shall be paid for the minimum
6 flight hours per calendar quarter for the fleet of basically assigned
7 aircraft, whether or not actually flown. Such minimum flight hours shall
8 include all hours flown hereunder, except maintenance flight hours for other
9 than IRAN and shall be determined in accordance with the provisions of
10 Appendix "A". Minimum hours shall apply from the moment the aircraft is
11 ready to fly and is committed to use under this contract. Minimum hours
12 shall cease to apply upon release of an aircraft from the contract or
13 upon destruction or loss of the aircraft. Minimum hours shall not apply
14 to the aircraft subject to call.
- 15 2. Subject to payment of minimums specified in paragraph 1. above, CAL shall
16 be paid for all hours flown as determined in accordance with the "Block-to-
17 Block" definition set forth in Article IV.c.1. hereof; provided, however,
18 that the total hours of "Block-to-Block" time for which CAL shall be paid
19 shall not exceed a maximum of fifteen percent (15%) of airborne time as
20 defined in Article IV.c.2. hereof.
- 21 g. CAL shall be paid in accordance with the provisions of this contract upon CAL
22 presenting to Airam an original plus four copies of CAL's invoices certified
23 by an appropriate officer of CAL as follows:
- 24 "I certify that the above bill is just and correct and payment
25 therefor has not been received."
26
- 27 h. Reimbursement pursuant to the provisions of Items 2. and 3. of Article I.
28 shall be subject to the following:
- 29 1. As pertains to Items 2. and 3. of Article I. hereof, and subject to
30 paragraph "h.2." of this Article IV., CAL shall, upon submission of
31 proper invoices and vouchers, be reimbursed at cost excepting for
32 direct skilled labor utilized to accomplish modification and repairs
33 to CAL aircraft for which CAL shall be paid \$2.30 for each hour of
34 direct skilled labor required and expended by CAL personnel. This
35 rate includes reimbursement for unskilled labor, overhead and profit.
- 36 2. As pertains to Item 3. of Article I. hereof, CAL shall be reimbursed for
37 direct materials used in accordance with the following:
- 38 i. The amounts to be reimbursed by Airam under this paragraph "h.2."
39 shall include a tax levy by the Government of the Republic of China
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on sales (known in Taiwan as a "Business Tax", which is composed of a business tax, a defense tax and a stamp tax). In the absence of agreements providing exemption to the Government therefrom, such taxes shall be considered an allowable cost and may be included in the fixed prices for labor utilized in Taiwan and the cost of direct materials furnished by the Contractor hereunder. The prices for direct materials furnished by the Contractor may also include customs duties paid to the Government of the Republic of China and such shall be considered as allowable cost.

ii. For those parts and materials furnished by CAL for which, in accordance with CAL's established practices, the costs cannot be determined either by reference to paid vendor's invoices or other means, the method of pricing shall be by utilization of the current market price or the price set forth in the most recent available USAF Parts Catalog, whichever price is most advantageous to Airam. CAL shall segregate all items falling in the above category and so identify in the invoice as a separate line item.

iii. All of CAL's claims for reimbursement of the costs of items purchased directly for this contract must be supported by invoices which shall be subject to approval by Airam. This applies to all authorized cost reimbursable items including direct parts and materials furnished in support of Item 2. Claims for reimbursement of costs of items withdrawn from CAL's stock must be supported by CAL's invoices which shall be subject to approval by Airam.

iv. Procurement, delivery, and material handling expense (current landed costs) incurred by CAL to point of use shall be considered as allowable elements of cost for purpose of reimbursement under this contract. As pertains to landed costs, materials, and supplies which are used hereunder, which are transported to or enroute to the point of use on commercial flights, CAL shall be reimbursed at the commercial rates for such transportation in effect at the time the transportation is utilized.

i. "Direct Skilled Labor" as used herein includes that labor which can be performed only by individuals possessing the professional, specialized and/or technical skills, knowledge, and capability to accomplish inspection, adjustments, repairs, tests, and similar operations; machine shop work, welding, electroplating, and similar operations on or incident to reconditioning, overhaul, and repair of aircraft or related components, accessories, or parts. "Direct Skilled Labor" includes only those skilled laborers, artisans, craftsmen, and operators

1 together with their leadmen and foremen, actually and directly employed in the
2 performance of work and services as required under this contract. It does not
3 include that labor which is performed in cleaning and polishing of aircraft,
4 aircraft components and equipment, paint removal, assisting in heavy work,
5 such as moving equipment or heavy components; generally, performing menial
6 tasks and/or miscellaneous work of a nature which requires none of the technical
7 skills, knowledge or professions referred to in the first portion of this
8 paragraph "i". It also does not include work and labor performed by administra-
9 tive personnel, corporate officers, supply personnel, all supervisory personnel
10 above the foreman level, office personnel, time-keepers, watchmen, guards and
11 janitors.

12
13 j. "Direct Materials" as used herein are defined as all items purchased, supplied,
14 manufactured or fabricated with the intention of entering them into, or making
15 them a part of the aircraft. For the purposes of this contract, cleaning,
16 brightening, polishing components, packing and packaging materials, P.O.L.
17 (petroleum, oil and lubricants) and other materials, used or consumed directly
18 on the aircraft or components, parts thereof, shall be considered direct
19 materials. All other materials such as office and stationery supplies,
20 sweeping compounds and equipment, personnel washroom supplies, lighting
21 supplies, etc., which are not (and would not be) actually used directly on
22 the aircraft or its components, shall be considered indirect materials.

23
24 k. Airam shall make payment hereof in United States dollars by check, draft
25 or other instrument and payable as directed by CAL in writing.

26
27 ARTICLE V. SPECIAL PROVISIONS

- 28
29 a. Airam, and/or its duly authorized representative, shall provide technical
30 surveillance, supervision, and operational control necessary to assure that
31 CAL performs the services in accordance with the provisions of the contract,
32 provided that such services shall be commensurate with the rated capabilities
33 of the aircraft, reasonable professional standards, and the qualifications of
34 CAL's personnel. CAL shall have final authority to decide all matters in
35 connection with the services involving safety of operation.
- 36
37 b. CAL shall not be responsible for non-completion or diversion of any flight
38 from original point or destination due to causes beyond the control of CAL.
39 The flying time for flights which are not completed or are diverted due to
40 causes beyond the control of CAL shall be considered as authorized flying time
41 for payment under the terms of the contract. The Captain of the aircraft shall
42 be the deciding authority on flight completion or diversion, or any other
43 action deemed necessary in the interest of flight safety.
- 44

- 1 c. CAL's employees and officers of CAL, or other persons or organizations
2 employed by CAL in the performance of work or rendition of services under
3 this contract, shall at all times be identified as the employees, officers,
4 or agents of CAL and shall not be considered as the employees, officers or
5 agents of Airam.
- 6 d. Airam may, if it finds it to be in the best interest of the United States
7 Government, direct CAL to remove, and CAL shall remove, any employee from
8 assignment to perform services under this contract.
- 9 e. It is the understanding of Airam that CAL shall be relieved of the necessity
10 to pay landing fees, airways communications and parking charges for operations
11 performed under this contract. In the event Airam is unable to obtain such
12 relief, it is agreed that Airam shall pay such charges incurred under this
13 contract.
- 14 f. Except as expressly provided in this contract, Airam shall have no responsibility
15 to or for CAL personnel engaged in the performance of services hereunder.
- 16 g. CAL shall furnish in writing to Airam the name, personal history data, and any
17 other pertinent information available to CAL, if requested by Airam, of all
18 CAL personnel assigned to this contract.
- 19 h. To the extent that Airam is relieved by the United States Government of
20 liability for the loss of, damage to or destruction of U.S. Government property
21 made available to CAL and U. S. Government cargo, which term shall be deemed
22 to include passengers' baggage and personal belongings, transported in the
23 performance of this contract, Airam does hereby relieve CAL of liability for
24 loss of, damage to or destruction of U. S. Government property and cargo
25 transported by CAL in the performance of this contract.
- 26 i. CAL is authorized to transport CAL personnel, parts, equipment and supplies
27 during performance of services hereunder, on a space available basis on the
28 aircraft furnished hereunder.
- 29 j. Airam shall have the option to provide aircraft fuel. Airam shall exercise
30 its option by notification to CAL in writing 15 days prior to the effective
31 date thereof. Upon the effective date, the "dry wing" prices set forth in
32 Appendix "A" shall apply to the aircraft which are or may be assigned to
33 performance under this contract and CAL shall no longer be required to furnish
34 aircraft fuel under Item 1 of Article I.a. In the event Airam elects to provide
35 aircraft fuel but shall fail to do so, said aircraft fuel may be ordered by CAL
36 for the account of Airam, in which event, the oil company supplying such aircraft
37 fuel may submit its invoices directly to Airam, and Airam shall make direct
38 payment to the oil company upon certification by CAL that such aircraft fuel
39 was consumed in performance of services under this contract; provided that in
40 the event CAL does not furnish aircraft fuel under these circumstances, such
41 shall not constitute non-availability of aircraft or of CAL's services under
42 this contract.

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51 ARTICLE VI. INDEMNITY AND INSURANCE

- 52 a. Except as otherwise provided in Article V. paragraph h. and except for loss,
53 damage or destruction of Airam property and injury to or death of Airam
54

1 personnel not caused by or directly attributable to CAL or its agents,
2 servants, employees, and except for loss, damage or destruction to property
3 and injury to or death of persons caused by or directly attributable to the
4 wilful misconduct of Airam or its associated or affiliated companies or their
5 employees, servants and agents, Airam shall not be responsible or accept any
6 risk for any loss, damage, or destruction of any property or for any injury to
7 or death of any person resulting from or arising out of this contract regardless
8 of how caused or when occurring and CAL hereby agrees to indemnify and save and
9 hold Airam, including its associated companies and affiliates, and its agents,
10 servants and employees, harmless with regard to any and all claims of any nature,
11 including costs and expenses incident thereto, for damages, restitution, or
12 other compensation or accountability arising from or related to any or all such
13 loss, damage, destruction, injury and death.

- 14
15 b. CAL agrees to maintain in full force and effect during this contract insurance
16 covering CAL's liability and undertaking set forth in paragraph "a." hereinabove
17 in connection with its operations through and its activities in and about the
18 locations covered by this contract, such insurance to be in such amounts and
19 with such insurers as are acceptable to Airam and shall cause Airam to be named
20 as co-insured in connection with such insurance.
- 21
22 c. CAL agrees to furnish to Airam the insurers' certificate(s) of insurance which
23 shall show (1) the names of the insured parties, (2) the aircraft covered by
24 the insurance, (3) the effective period of such insurance, (4) the amount and
25 coverage afforded by such insurance, (5) the geographical limitations applicable
26 to the aircraft covered by such insurance and (6) certifying that such insurance
27 is in full force and effect, (7) acknowledging acceptance of the indemnification
28 agreement assumed by CAL under this contract, (8) waiving any and all rights of
29 subrogation against the United States Government and Airam, its officers, agents,
30 and employees and (9) providing that the insurers will give Airam at least
31 thirty (30) days prior written notice before such insurance or waiver of
32 subrogation is cancelled or materially changed. In addition, CAL shall furnish
33 Airam a certified copy or duplicate original of such policy or policies and
34 endorsements thereto and thereon as soon as conveniently possible.
- 35
36 d. In the event CAL shall fail to procure and maintain such insurance, Airam
37 shall have the right to do so and charge CAL with the cost thereof, such
38 cost being subject to deduction from any amounts owed by Airam to CAL under
39 this contract.

40
41 ARTICLE VII. AIRAM FURNISHED FACILITIES

42
43 Airam shall furnish to CAL for a sum to be deductible from amounts to be paid to
44 CAL as provided in Article IV.b. such equipment and facilities or their approximate
45 equivalent at such prices as shall be agreed to in writing between the parties hereto
46 from time to time. Any facilities and equipment furnished to CAL by Airam shall be
47 utilized only in support of this contract.

1 ARTICLE VIII. C-123 TYPE AIRCRAFT

2
3 Notwithstanding any other provisions of this contract, it is understood that CAL's
4 undertakings herein with regard to making the C-123 type aircraft available upon
5 an initial or continuing basis and the operation thereof shall be subject to the
6 terms and conditions or other arrangement upon which such aircraft are so furnished
7 to CAL.

8
9 ARTICLE IX. CONTRACTUAL CONTENTS

10
11 This contract consists of Articles I through IX on pages 1 - 11; an Appendix "A"
12 of 2 pages; an Appendix "B" of one page; an Appendix "C" of 2 pages and an
13 Appendix "D" of one page; and a General Provisions List and General Provisions 1
14 through 17 consisting of 19 pages.
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20 IN WITNESS WHEREOF, the parties hereto have, by their respective officials or
21 representatives thereunto duly authorized, executed this agreement.
22

23
24 WITNESS:

CHINA AIRLINES, LTD.

25
26
27
28 s/ James C. C. Chen

By s/ Bob Yeh

29
30 Typed Name: Bob Yeh

31
32 Title: Senior Vice President
33
34

35
36 WITNESS:

AIR AMERICA, INC.

37
38
39
40 s/ D. F. Jacik

By s/ Var M. Green

41
42 Typed Name: Var M. Green

43
44 Title: Vice President
45

Date: 7 July 1970

AIRCRAFT FLYING HOUR PRICES

Basic Aircraft	No.	Calendar Quarter Minimums	Wet Wing Price Per Flying Hour	Dry Wing Price Per Flying Hour	Unflown Minimums
C-123	2	Minimum 330 0 - 330:00 330:01 - 450:00 450:01 and over	\$277.00* 257.00* 247.00*	\$217.00* 197.00* 187.00*	\$164.50
Call Aircraft	No.	Calendar Quarter Minimums	Wet Wing Price Per Flying Hour	Dry Wing Price Per Flying Hour	
C-46	1	No minimums	\$241.00*	\$195.00*	

The flying hour prices for the C-123 contain a cost element of \$14.50 for hazardous flight time for a normal crew complement consisting of a Pilot, Co-Pilot, Flight Engineer and Parachute Dropping Officer. The flying hour prices for the C-46 contain a cost element of \$11.70 for hazardous flight time for a normal crew complement consisting of a Pilot, Co-Pilot and Flight Engineer. In the event flying hour prices are reduced pursuant to the provisions of Article IV, paragraph d., the C-123 flying hour prices shall be reduced by \$14.50 and the C-46 flying hour prices shall be reduced by \$11.70.

Effective 1 July 1970

- Note 1. The term "fleet" as used herein is defined as one or more of a type of aircraft which are assigned to the contract as basic aircraft pursuant to the terms of Article I.a. Item 1.
- Note 2. The total number of aircraft making up a fleet during a calendar quarter shall be determined by considering each basic aircraft performing services under the contract during the entire calendar quarter as a unit of one and each basic aircraft performing services under the contract a portion of the calendar quarter as a percentage of a unit one obtained by dividing the number of days the aircraft was assigned by the number of days in the calendar quarter. The total sum of units will be the fleet for that calendar quarter.
- Note 3. The minimums applicable to each fleet of aircraft shall be determined by multiplying applicable minimums set forth on page 1 of this Appendix "A" by the fleet as determined in accordance with the procedures set forth in Note 2. above.
- Note 4. If the total hours flown by the entire fleet equals or exceeds the calendar quarter minimums as determined in accordance with Note 3. above, there will be no unflown minimums.
- Note 5. If the total hours flown by the entire fleet is less than the calendar quarter minimums as determined in accordance with Note 3. above, the billable unflown minimums shall be the difference between the total hours flown by the fleet and said minimums.

APPENDIX "B"

CALL ORDER
FOR ADDITIONAL AIRCRAFT

To: China Airlines, Ltd.

Call Order No. _____

Date _____

Pursuant to Article I. paragraph c. of subject contract, you are hereby requested to provide, if available, additional aircraft as specified below:

<u>Type of Aircraft</u>	<u>Place Aircraft Required</u>	<u>From</u> (Date)	<u>Through</u> (Date)
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Please return the original and four copies to the undersigned indicating in space provided below your agreement to this request and aircraft identification number assigned.

Air America, Inc.
Authorized Representative

To: Air America, Inc.

CAL'S OFFER

Date _____

China Airlines, Ltd. hereby agrees to furnish aircraft as indicated:

<u>Aircraft</u> <u>Type</u>	<u>Identification</u> <u>No.</u>	<u>Will be available at</u> <u>(Point of Origin)</u>	<u>From</u> (Date)	<u>Through</u> (Date)
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China Airlines, Ltd. Representative

ACCEPTANCE AND CALL ORDER

To: China Airlines, Ltd.

Date _____

This constitutes acceptance of the Contractor's Offer as stated above and shall, pursuant to Article I. Paragraph c. of the contract, be deemed the Operational Order for CAL to furnish the aircraft described at the place of origin as indicated. The aircraft shall proceed from

_____ to _____ on _____
(Origin) (Base) (Offer date above)

Air America, Inc.
Authorized Representative

FLIGHT SERVICE ORDER

TO: **AIR AMERICA, INC.**

FROM:

DATE:

CONTRACT:

A/C TYPE:

No.:

ORIGIN:

DATE:

ETD:

TO:

PASSENGERS / CARGO:

ETA:

ETD:

Page 1 of 1

APPENDIX "C"

REMARKS/SPECIAL INSTRUCTIONS:

FUEL INVOICES UNDER THIS ORDER TO BE SENT TO:

☐ CUSTOMER
☐ AIR AMERICA

CORRACO

AIRCRAFT FLIGHT LOG

DAY MONTH YEAR

AIRCRAFT TYPE

AIRCRAFT NO.

CONTRACT NO.

ORIGIN

FUEL (GAL)

FUNCTION

EMP. NO.

LOGS

NAME

FUNCTION

EMP. NO.

LOGS

NAME

CREW

TO

FROM

LAND

AIR

PROJECT

NIGHT

TIME

ON

OFF

COMMENTS

NOTES

DATE

TIME

LOCATION

STATUS

AIRPLANE TIME CHART

AIRPLANE TIME THIS DATE

AIRPLANE TIME THIS DATE

AIRPLANE TIME THIS DATE

AIRPLANE TIME THIS DATE

AIRPLANE TIME THIS DATE

AIRPLANE TIME THIS DATE

AIRPLANE TIME THIS DATE

AIRPLANE TIME THIS DATE

AIRPLANE TIME THIS DATE

AIRPLANE TIME THIS DATE

AIRPLANE TIME THIS DATE

AIRPLANE TIME THIS DATE

AIRPLANE TIME THIS DATE

CAPTAIN

COPILOT

CORRACO

FORM 100-10-1-100-100

ADDITIONAL PERSONNEL PRICES
AND
HAZARDOUS PRICES
FOR ALL PERSONNEL

	<u>Normal Price</u>	<u>Hazardous Price</u> *
Pilot	US\$14.50	US\$8.70
Co-Pilot	12.50	7.50
Navigator	10.50	6.30
Radio Operator	10.50	6.30
Extra Crew Member (ECM)	10.50	6.30
Flight Engineer	8.50	5.10
Parachute Dropping Officer (PDC)	8.50	5.10

* In the event flying hour prices are reduced pursuant to the provisions of Article IV. paragraph d. the flying hour prices set forth under the column "Hazardous Price" shall no longer apply.